

**USAID/ANE Regional**  
**ANNUAL REPORT FY 2003**

3/13/2003

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## **A. Program Level Narrative**

### **Program Performance Summary:**

### **Environmental Compliance:**

### **Country Closeout & Graduation:**

## **D. Results Framework**

### **498-001 Accelerating Economic Recovery in Asia**

**Discussion:** 498-023 Encourage Economic Growth  
IR3: South Asia Regional Initiative/Energy (SARI/E)  
Performance Data Tables

Intermediate Result 23.3: Improved policies and agreements for cross-border cooperation on sustainable energy

Objective Name: Encourage Economic Growth

Objective ID: 498-023

Approved: 01/27/2000 Country/Organization: ANE Regional

Result Name: Intermediate Result 23.3 - Improved policies and agreements for cross-border cooperation on sustainable energy

Indicator: Number of policies and agreements adopted that promote cross-border cooperation

Unit of Measure: Number (Cumulative)

Source: Partners

Indicator/Description: this indicator tracks the signing of memoranda of understanding and other agreements that establish frameworks for energy cooperation.

Comments: In 2002, counterparts from each of the countries covered under SARI signed a memorandum of understanding to formalize the cooperative group that will deliberate on national transmission system improvements and potential regional transmission interconnection.

Year	Planned	Actual
2000		0 (Baseline)
2001	0	0
2002	1	1
2003	2	

Performance Data Table

Sub-IR 23.3.1 - Private Sector energy plans and investments in infrastructure that facilitate regional energy exchange developed

Objective Name: Encourage Economic Growth

Objective ID: 498-023

Approved: 01/27/2000 Country/Organization: ANE Regional

Result Name: Sub-IR 23.3.1 - Private sector energy plans and investments in infrastructure that facilitate regional energy exchange developed

Indicator: International best practices identified and adopted in private sector investment plans to create capacity in cross-border infrastructure that meets regional needs

Unit of Measure: Number (Cumulative)

Source: Nexant

Indicator/Description: This indicator tracks the preparation of documents, including commercial agreements and country gas assessments that will be used by parties in structuring commercial transactions.

Comments: In 2002, a prefeasibility study for energy trade between India and Sri Lanka was developed. With SARI support, the Power Trading Corporation of India and the Snowy Mountains Engineering Company signed a memorandum of understanding to export electricity from the West Seti Hydropower Project in Nepal. In addition, the India-Bangladesh Power Export Study identified transmission potential and connection points for cross-border exchange.

Year	Planned	Actual
2000		0 (Baseline)
2001	1	1
2002	2	4
2003	5	

Performance Data Table

Sub-IR 23.3.2 - Policies, laws and regulations developed or modified, with private sector and civil society concurrence, to facilitate regional energy trade and cooperation.

Objective Name: Encourage Economic Growth

Objective ID: 498-023

Approved: 01/27/2000 Country/Organization: ANE Regional

Result Name: Sub-IR 23.3.2 - Policies, laws and regulations developed or revised, with private sector and civil society concurrence, to facilitate regional energy trade and cooperation.

Indicator: Indicator 1 - Policies, laws, and regulations or procedures developed or revised that facilitate regional energy trade

Unit of Measure: Number (Cumulative)

Source: Nexant, AED, USEA

Indicator/Description: Number of policy changes resulting from recommendations and training supported by USAID-funded activities

Comments: In 2002 SARI activities contributed to the approval of the Sri Lanka Power Sector Reform program, the Bangladesh Power Grid Codes and Reliability Criteria, and the adoption of a SARI-supported recommendation to restructure the Nepal Electricity Authority into three independent profit centers.

Year	Planned	Actual
2000		0 (Baseline)
2001	2	2
2002	4	5
2003	8	

Performance Data Table

Sub-IR 23.3.3 - Increased capacity of regulatory bodies to support energy exchange

Objective Name: Encourage Economic Growth

Objective ID: 498-023

Approved: 01/27/2000 Country/Organization: : ANE Regional

Result Name: Sub-IR 23.3.3 - Increased capacity of regulatory bodies to support energy exchange

Indicator: Indicator 1 - Regulatory best practices developed or adopted by one or more countries

Unit of Measure: Number (Cumulative)

Source: Nexant, AED, USEA

Indicator/Description: Number of regulatory initiatives/practices supporting regional trade resulting from technical assistance and training activities

Comments: In 2002, activities contributed to the establishment of the Power Sector Regulatory Commission in Sri Lanka, strengthening the understanding of Bangladeshi officials of the function and role of the proposed regulatory body, the establishment of a regulatory partnership among SARI countries.

Year	Planned	Actual
2000		0
2001	2	2
2002	4	5
2003	8	

#### Performance Data Table

Sub-IR 23.3.4 - Regional adaptation of best practices and standards that lead to energy efficiency and improved commercial practices

Objective Name: Encourage Economic Growth

Objective ID: 498-023

Approved: 01/27/2000 Country/Organization: : ANE Regional

Result Name: Sub-IR 23.3.4 - Adaptation of best practices and standards in the region that lead to energy efficiency and improved commercial practices

Indicator: Number of best practices and standards in pricing, generation, transmission, distribution, and end use in the region developed or adopted in one or more countries

Unit of Measure: Number (Cumulative)

Source: Nexant, AED, USEA

Indicator/Description: Number of initiatives/practices promoting energy efficiency and improved commercial practices resulting from technical assistance, training, and partnership activities.

Comments: SARI contributed to the harmonization of energy efficiency standards in 2002 with the agreement by India and Sri Lanka to adopt a common standard for ballast. India has adopted the label for refrigerators. In Sri Lanka, SARI facilitated the development of (1) a performance contract and (2) a monitoring and evaluation protocol for an Energy Services Company (ESCO). SARI supported the preparation of draft Energy Efficiency legislation that will be reviewed by the Government of Sri Lanka. With SARI support, Nepal adopted the CFL standard from the Sri Lankan model. SARI also supported the establishment of an ESCO in Nepal, and the linkage of a Sri Lankan ESCO with a Bangladeshi engineering company contemplating entering the ESCO sector.

Year	Planned	Actual
2000		0 (Baseline)
2001	2	3
2002	5	11
2003	14	

Performance Data Table

Sub-IR 23.3.5 - Regional adaptation of best practices that lead to improved rural energy services

Objective Name: Encourage Economic Growth

Objective ID: 498-023

Approved: 01/27/2000 Country/Organization: : ANE Regional

Result Name: Sub-IR 23.3.5 - Adaptation of best practices in the region that lead to improved rural energy services

Indicator: Number of best practices in rural energy delivery identified, developed or adopted in one or more country

Unit of Measure: Number (Cumulative)

Source: Nexant, CORE

Indicator/Description:

Comments: SARI facilitated the development of a power purchase agreement for Sri Lankan wind power. The Nepal Electricity Authority and the Ceylon Electricity Board exchanged rural IPP PPAs. The Bangladesh rural energy services models from the REB and Grameen Shakti were adapted for rural energy projects in India.

Year	Planned	Actual
2000		0 (Baseline)
2001	2	3
2002	5	6
2003	8	



#### Performance Data Table

Sub-IR 23.3.6 -Increased private sector participation in and civil society support for sustainable energy development

Objective Name: Encourage Economic Growth

Objective ID: 498-023

Approved: 01/27/2000 Country/Organization: : ANE Regional

Result Name: Sub-IR 23.3.6 - Increased private sector participation in and civil society support for sustainable energy development

Indicator: Position papers and legislative drafts developed and advanced by private sector South Asia Energy Coalition (SAREC) members

Unit of Measure: Number (cumulative)

Source: US Chamber of Commerce, Nexant, AED, USEA

Indicator/Description:

Comments: Accomplishment in 2002: Presentation of Position Paper entitled "A Suggested Framework Of Action For Regional Business Associations And Apex Bodies" at workshops in Dhaka and New Delhi.

Year	Planned	Actual
2000		0 (Baseline)
2001	1	1
2002	2	2
2003	6	

#### SARI/Energy 2003 Targets by Indicator.

Result Name: Intermediate Result 23.3 - Improved policies and agreements for cross-border cooperation on sustainable energy

Indicator: Number of policies and agreements adopted that promote cross-border cooperation

Planned Value = 2 (cumulative), net increase of 1 - Signed MOU for 2-Borders Project between India and Sri Lanka

Result Name: Sub-IR 23.3.1 - Private sector energy plans and investments in infrastructure that facilitate regional energy exchange developed

Indicator: International best practices identified and adopted in private sector investment plans to create capacity in cross-border infrastructure that meets regional needs

Planned Value = 5 (cumulative), net increase of 1 - Detailed Feasibility Study for 2-Borders Project

Result Name: Sub-IR 23.3.2 - Policies, laws and regulations developed or revised, with private sector and civil society concurrence, to facilitate regional energy trade and cooperation.

Indicator: Indicator 1 - Policies, laws, and regulations or procedures developed or revised that facilitate regional energy trade

Planned Value = 8 (cumulative), net increase of 3 - Sri Lanka Unbundling, Corporatization/Privatization of Generation Companies in Bangladesh, Elimination of Subsidies in Bangladesh

Result Name: Sub-IR 23.3.3 - Increased capacity of regulatory bodies to support energy exchange

Indicator: Indicator 1 - Regulatory best practices developed or adopted by one or more countries

Planned Value = 7 (cumulative), net increase of 3 - Development of Regulatory Rules in Nepal Establishment of Regulatory Body in Bangladesh Cost Recovery in Place in Bangladesh

Result Name: Sub-IR 23.3.4 - Adaptation of best practices and standards in the region that lead to energy efficiency and improved commercial practices

Indicator: Number of best practices and standards in pricing, generation, transmission, distribution, and end use in the region developed or adopted in one or more countries  
Planned Value = 14 (cumulative), net increase of 3 - Harmonization of EE standards in Bangladesh  
Adoption of Standards and Labels Legislation in Sri Lanka CNG Developed in Bangladesh

Result Name: Sub-IR 23.3.5 - Adaptation of best practices in the region that lead to improved rural energy services

Indicator: Number of best practices in rural energy delivery identified, developed or adopted in one or more country

Planned Value = 8 (cumulative), net increase of 2 - Sri Lanka Wind Poser Assessment Adapt Bangladesh  
RE Framework for Nepal Electricity Authority Rural Energy Cooperative

Result Name: Sub-IR 23.3.6 - Increased private sector participation in and civil society support for sustainable energy development

Indicator: Position papers and legislative drafts developed and advanced by private sector South Asia Energy Coalition (SAREC) members

SARI/Energy 2003 Targets by Indicator.

Result Name: Intermediate Result 23.3 - Improved policies and agreements for cross-border cooperation on sustainable energy

Indicator: Number of policies and agreements adopted that promote cross-border cooperation

Planned Value = 2 (cumulative), net increase of 1 - Signed MOU for 2-Borders Project between India and Sri Lanka

Result Name: Sub-IR 23.3.1 - Private sector energy plans and investments in infrastructure that facilitate regional energy exchange developed

Indicator: International best practices identified and adopted in private sector investment plans to create capacity in cross-border infrastructure that meets regional needs

Planned Value = 5 (cumulative), net increase of 1 - Detailed Feasibility Study for 2-Borders Project

Result Name: Sub-IR 23.3.2 - Policies, laws and regulations developed or revised, with private sector and civil society concurrence, to facilitate regional energy trade and cooperation.

Indicator: Indicator 1 - Policies, laws, and regulations or procedures developed or revised that facilitate regional energy trade

Planned Value = 8 (cumulative), net increase of 3 - Sri Lanka Unbundling, Corporatization/Privatization of Generation Companies in Bangladesh, Elimination of Subsidies in Bangladesh

Result Name: Sub-IR 23.3.3 - Increased capacity of regulatory bodies to support energy exchange

Indicator: Indicator 1 - Regulatory best practices developed or adopted by one or more countries

Planned Value = 7 (cumulative), net increase of 3 - Development of Regulatory Rules in Nepal Establishment of Regulatory Body in Bangladesh Cost Recovery in Place in Bangladesh

Result Name: Sub-IR 23.3.4 - Adaptation of best practices and standards in the region that lead to energy efficiency and improved commercial practices

Indicator: Number of best practices and standards in pricing, generation, transmission, distribution, and end use in the region developed or adopted in one or more countries

Planned Value = 14 (cumulative), net increase of 3 - Harmonization of EE standards in Bangladesh Adoption of Standards and Labels Legislation in Sri Lanka CNG Developed in Bangladesh

Result Name: Sub-IR 23.3.5 - Adaptation of best practices in the region that lead to improved rural energy services

Indicator: Number of best practices in rural energy delivery identified, developed or adopted in one or more country

Planned Value = 8 (cumulative), net increase of 2 - Sri Lanka Wind Poser Assessment Adapt Bangladesh RE Framework for Nepal Electricity Authority Rural Energy Cooperative

Result Name: Sub-IR 23.3.6 - Increased private sector participation in and civil society support for sustainable energy development

Indicator: Position papers and legislative drafts developed and advanced by private sector South Asia Energy Coalition (SAREC) members

Planned Value = 6 (cumulative), net increase of 4 - Innovative Approaches to Resolving Energy Sector Tariff Issues in South Asia Island Based Renewable Energy Systems: Innovative Approaches to Promoting, Financing, and Capacity-Building for Environmentally Friendly Energy Systems Background paper identifying key impediments to regional energy integration that the Coalition's membership can address and contend with in a timely manner Methodology Paper for the developing of an effective advocacy strategy

#### **498-002 Fostering Resolution of Water Resources Disputes**

**Discussion:**

#### **498-003 North Africa Regional Trade and Investment Initiative**

**Discussion:**

#### **498-007 Program Development and Learning**

**Discussion:**

#### **498-008 Asia and the Near East Regional HIV/AIDS**

**Discussion:**

#### **498-009 United States-Asia Environmental Partnership**

**Discussion:**

#### **498-012 Middle East Regional Democracy Fund**

**Discussion:**

#### **498-013 South Asia Regional Environment Program**

**Discussion:**

#### **498-014 South Asia Democracy**

**Discussion:**

#### **498-015 East Asia and Pacific Environmental Initiative**

**Discussion:**

#### **498-016 East Asia Regional Democracy Fund**

**Discussion:**

#### **498-022 Stabilize Population Growth and Protect Human Health**

**Discussion:**

**498-023 Encourage Economic Growth**

**Discussion:**

**498-024 Manage the Environment for Sustainability and Prosperity**

**Discussion:**

**498-029 Asia & the Near East Regional HIV/AIDS and Infectious Disease Program**

**Discussion:**

**498-031 South Asia Regional Initiative/Energy Program (SARI/Energy)**

**Discussion:**

**498-036 Improve East Asia Regional Stability Through Democracy and Human Rights**

**Discussion:**

**498-037 Improve South Asia Regional Stability Through Democracy and Human Rights**

**Discussion:**

**498-xxx Department of State Programs**

**Discussion:**